

FOR IMMEDIATE RELEASE

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HUD Approves Homeowner Assistance Program

Application Process Begins April 17

(JACKSON, Mississippi) – Governor Haley Barbour said today the U.S. Department of Housing and Urban Development has approved Mississippi's unprecedented \$3.4 billion plan to award grants to Katrina-stricken homeowners, setting the stage for the first applications to be taken April 17.

Under the program, homeowners who lived outside the federally designated flood zone yet suffered flood damage due to the Aug. 29, 2005, hurricane may be eligible to receive grants of up to \$150,000.

"I am very pleased that the Department of Housing and Urban Development has approved our plan to provide up to \$150,000 for homeowners who lived outside the federally designated flood zone, yet flooded due to Hurricane Katrina," Governor Haley Barbour said. "HUD's approval means the program can officially open on April 17, getting essential money into the hands of coastal homeowners who desperately need the help to rebuild and repair."

Money for the homeowners assistance grants will flow through the federal Community Development Block Grant program, managed under HUD regulations by the Mississippi Development Authority. Officials believe as many as 31,000 Mississippians may qualify for the program.

Governor Barbour also noted that as phase one of the homeowner assistance program kicks off, officials are already working on a second phase designed to focus on other housing programs to support Mississippians who don't meet the initial grant criteria. As for phase one, applications will be taken by appointment-only beginning April 17 at Service Centers in Bay St. Louis, Gulfport, Gautier and Jackson. Beginning Monday, April 10, homeowners can request an appointment by calling 866-369-6302 or using an online appointment request form at www.MSHomeHelp.gov.

Application Guide Books with an application worksheet are available online at www.MSHomeHelp.gov and will be available by the middle of next week at FEMA Disaster Recovery Centers, post offices, city halls, and many banks in Hancock, Harrison, Jackson and Pearl River Counties. Guide Books will be distributed in coast newspapers on April 16. Spanish and Vietnamese language Guidebooks are also available.

An online application will be available by April 17 to allow those with Internet access to pre-apply and shorten their visit to a Service Center.

Barbour noted the unprecedented and complex nature of the program. “The Mississippi Development Authority has worked very hard to overcome as many expected complications as possible, so that the application process will run as smoothly as possible,” he said. “But because no one has ever done a grant program of this magnitude, I’m sure there will be bumps in the road and I ask for peoples’ continued understanding.”

Under Hurricane Katrina Homeowner's Grant Program, homeowners may receive up to \$150,000 or the insured value of their home times the percentage of damage the home received (whichever is less), less any insurance or FEMA payments for structural damage. If homeowners have an SBA disaster loan, SBA will perform a duplication of benefit analysis to determine if the grant proceeds would be used to repay the loan. In addition, if homeowners must elevate their houses when rebuilding to reduce the risk of damage from future storms, they may be eligible for a separate program that, when launched, will provide up to \$30,000 to cover the higher cost of construction.

To qualify for the Katrina Homeowner Grant:

- The home must have been owner-occupied as of Aug. 29, 2005
- The home must be located in Jackson, Hancock, Harrison or Pearl River County.
- The home must be outside of the federally designated 100-year flood zone, yet flooded due to Hurricane Katrina.
- The owner must have had homeowners' insurance.

Grant recipients must agree to attach the following as covenants to their property.

- Maintain flood insurance on damaged residence in perpetuity.
- Rebuild or repair to applicable codes and local ordinances.
- Rebuild to newly recommended FEMA flood elevations.
- Manufactured housing (mobile homes) must comply with the Federal Manufactured Housing Code.

For more information go to www.MSHomeHelp.gov or call 866-369-6302.

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